

HUMAN SERVICES

DIVISION OF MENTAL HEALTH SERVICES

Interim Assistance Procedures Manual

Proposed Readoption with Amendments: N.J.A.C. 10:38

Proposed Repeal and New Rule: N.J.A.C. 10:38 Appendix K

Proposed Repeal: N.J.A.C. 10:38 Appendix L

Proposed New Rule: N.J.A.C. 10:38 Appendix J

Authorized By: Kevin M. Ryan, Commissioner, Department of Human Services

Authority: N.J.S.A. 30:4-27.19

Calendar Reference: See Summary below for explanation of exception to
calendar requirements.

Proposal Number: PRN 2006-213

Submit comments by September 15, 2006 to:

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Legal Liaison

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Division of Mental Health Services

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The agency proposal follows:

Summary

The Department of Human Services (Department), through the Division of Mental Health Services (Division), is proposing to readopt with amendments N.J.A.C. 10:38, Interim Assistance Procedures Manual.

The following is a procedural history of this rule. The rules at N.J.A.C. 10:38, Interim Assistance Procedures Manual, became effective July 9, 1981 and were readopted, pursuant to Executive Order No. 66 (1978), effective May 28, 1986 with amendments effective July 7, 1986. N.J.A.C. 10:38 was then substantially recodified and Subchapter 5, Trial Placement Status was repealed, effective August 6, 1990. Since that time, pursuant to Executive Order No. 66 (1978), N.J.A.C. 10:38 has been readopted with amendments effective on the following dates: May 20, 1991; February 22, 1994; and April 22, 1996. Due to a short lapse in effectiveness, N.J.A.C. 10:38 was adopted as new rules, effective July 16, 2001. Pursuant to N.J.S.A. 52:14B-5.1, N.J.A.C. 10:38 is currently due to expire on July 16, 2006. By virtue of this notice of proposal prior to July 16, 2006, the expiration date will be extended to January 12, 2007, pursuant to N.J.S.A. 52:14B-5.1c.

As the Department has provided a 60-day comment period for this notice of proposal, this notice is excepted from the rule-making calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

The Interim Assistance Program, originally developed by both the New Jersey Department of Human Services and the United States Department of Health and Human Services, permits a State psychiatric hospital patient who is clinically ready for discharge to receive financial assistance for living expenses while waiting for the Social Security Administration (SSA) to process the patient's application for Social Security Income (SSI). Pursuant to N.J.S.A. 30:4-27.19, the chief executive officer of a State or county psychiatric facility, or his or her designee, may authorize the payment of interim financial assistance to discharged patients for living expenses, pending determination of public benefits entitlements. When public benefit entitlements are received, discharged patients are required to reimburse the psychiatric facility for all interim financial assistance provided. Prior to the existence of the Interim Assistance Program, SSI-eligible patients had to remain hospitalized while awaiting SSA processing of the SSI application or would have to be discharged with no income for several months.

N.J.A.C. 10:38 is comprised of the following subchapters. Subchapter 1, General Provisions, describes the program, its purpose and authority, and defines words and terms used throughout the chapter. Subchapter 2, Interim Assistance Eligibility, provides criteria for determining client eligibility or ineligibility for the program. Subchapter 3, Interim Assistance Case Processing, allocates organizational roles and responsibilities. Subchapter 4, Interim Assistance Payment Procedures, outlines procedures for authorizing and terminating payments. Subchapter 5, Medicaid Coverage for Interim Assistance

Clients, describes the interaction between the Medicaid program and the Interim Assistance Program. Subchapter 6, Appeal Procedures, describes the various procedures and responsibilities for monitoring client income and resources. Subchapter 7, Client Income and Resource Monitoring, outlines procedures and responsibilities for monitoring client income and resources.

The Department has reviewed N.J.A.C. 10:38 and has determined that its terms are still relevant and appropriate, with the following amendments, proposed in this notice.

At N.J.A.C. 10:38-1.1, a proposed amendment adds community Medicaid coverage to the funds that may be received by a client who has been discharged and has applied and is waiting for receipt of Federal Supplemental Security Income benefits.

At N.J.A.C. 10:38-1.4, definitions for “DMHS” (Division of Mental Health Services) and “legal alien” have been added. The definition for “personal needs allowance” has been amended to clarify that these funds come out of the interim assistance allotment. The definition for “residential health care facility” was repeated erroneously; thus, the duplicative definition is proposed for deletion. The remaining definition has been amended to reflect the fact that licensure can also be accomplished by the Department of Community Affairs.

At N.J.A.C. 10:38-2.1(a)5, a proposed amendment clarifies that a client's eligibility for Interim Assistance will be based, in part, on their qualification for SSI benefits.

At N.J.A.C. 10:38-2.2(a)5, a proposed amendment clarifies that a client is not eligible for Interim Assistance if he or she is not a U.S. citizen.

At N.J.A.C. 10:38-2.4, a proposed amendment fixes a grammatical error, changing "institutions" to "institution's" to properly reflect the possessive form.

At N.J.A.C. 10:38-3.4(b)3iii, a reference to the Arthur Brisbane Child Treatment Center is proposed for deletion, as that facility closed at the end of 2005. A proposed amendment adds the Ann Klein Forensic Center to the list of facilities involved in the Interim Assistance program.

At N.J.A.C. 10:38-3.4(c)1, a proposed amendment clarifies that if clients are already on the active rolls of Social Security and are not subject to the redetermination process, they are "generally" not in need of the Interim Assistance program. This amendment adds the flexibility necessary to encompass variations among practices at each hospital.

At N.J.A.C. 10:38-3.4(c)2, the reference to Appendix K has been changed to reflect its recodification to Appendix J and the title of the form

(“Physician’s/Medical Officer’s State of Patient’s Capability to Manage Funds) has been specified in full.

At N.J.A.C. 10:38-3.4(c)4, a proposed amendment indicates that a Social Security disability report form is to be obtained from the treating psychologist. Reference to a specific form (DD-67) is proposed for deletion, because different hospitals use different versions of the form, although the same substantive information is included in all of them.

A proposed amendment at N.J.A.C. 10:38-3.4(d)1 specifies that an authorization to release medical information signed by the client shall be included in the SSI application obtained by the hospital’s Financial Entitlement Unit.

At N.J.A.C.10:38-3.5, the form entitled “SSA 8125” is updated to the proper “SSA-L8125.”

At N.J.A.C. 10:38-3.6(a)15, the reference to Appendix J has been changed to reflect its recodification as Appendix I, and the reference to “SSA 8125” is updated as L8125.

To reflect the fact that providers will be paid at the beginning of the month during which services are provided (rather than subsequently – see proposed amendments at N.J.A.C. 10:38-4.3(e)3, discussed below), a proposed

amendment to N.J.A.C. 10:38-3.8(a)3 states that the congregate housing provider shall be paid per diem compensation “by the seventh day of the month in which” services are rendered, and not “after” services are rendered.

New N.J.A.C. 10:38-4.2(b) states that rental assistance from either a federal or State funded program shall be included in the client resources that are exempt from the eligibility determination, where the client is in an independent living situation.

Several proposed amendments to N.J.A.C. 10:38-4.3(e) affect the process for the calculation and disbursement of a client’s Interim Assistance payment. First, under proposed amendments to N.J.A.C. 10:38-4.3(e)1, where a client is placed with a housing provider other than his or her own family, the business manager shall obtain, in addition to a completed payment voucher, a “Business Manager’s Financial Inquiry form (Appendix G)” for the following month’s advance,. Second, proposed amendments at N.J.A.C. 10:38-4.3(e)3 state that the current practice under which Interim Assistance payments are made to housing providers will be changed so that providers will receive such payments sooner: the payments will be disbursed by the seventh day of the month during which services are currently being provided, rather than the 10th day of the month following service provision, allowing time to verify SSI eligibility status for the current month. Third, proposed amendments also at N.J.A.C. 10:38-4.3(e)3 add that if a provider’s customary rental charges are less than the established

SSI rate, the difference shall be allocated to the client for additional living expenses or personal needs. Fourth, proposed amendments at N.J.A.C. 10:38-4.3(e)4 state that if the client is placed with his or her own family, apartment or home, the payment shall be made by the first of the month, if necessary to make a rent or mortgage payment, rather than merely “in advance.” Additional proposed language states that in all other cases, payment shall be made by the seventh calendar day of the current services month. Fifth, proposed amendment at N.J.A.C. 10:38-4.3(e)5 adds a requirement that the housing provider shall also note on the financial inquiry form, whether the client has other income. Finally, new N.J.A.C. 10:38-4.3(f) addresses payment to the provider where a client leaves the residence prior to a month for which the provider has received Interim Assistance payment: in such a situation, the provider shall refund the full amount of the IA payment to the hospital. Where the client is in residence for part of the month, but leaves prior to the completion of a full month, the bed may be held until the end of the month or filled by another client, or where an agreement cannot be reached between the hospital and the provider, the hospital reserves the right to recover payment for the unused portion of the month.

At N.J.A.C. 10:38-5.2(a)3, a proposed amendment inserts the word “community” before “Medicaid coverage” to specify the type of Medicaid benefit that is available to the Interim Assistance client.

At N.J.A.C. 10:38-5.2(a)4, proposed amendments reflect the change in documents required by the Medicaid program to be completed before Medicaid

coverage can be extended to the client – instead of “Form FD-34, Validation of Eligibility (Appendix L)”, the hospital representative must complete the “Form FD-412 Health Benefits Identification Card Letter Emergency Services Letter (Appendix K).” The letter delineates the client’s Medicaid ID, name, date of birth, HMO Plan and Service Package, third party liability (TPL) and Medicare Coverage, Pharmacy Restrictions, address, hospital office name, staff contact and phone number. Proposed for deletion is language that required the hospital representative to complete and forward to the client’s residence or appropriate congregate facility Form FD-34 on the first of each month after placement until the Division of Medical Assistance and Health Services’ automated system produces a monthly Medicaid eligibility card for the client. Instead, proposed amendments require the completion of Form FD-412 as needed and state that the permanent Health Benefits Card will be received by the Interim Assistance recipient within approximately three to five business days of the establishment of community Medicaid. The letter also states the dates during which the authorization for emergency services is valid.

The hospital representative must check one of two boxes on the letter to inform the provider that the client either (1) has been newly approved as Medicaid-eligible and will be receiving a permanent plastic Health Benefits Identification (HBID) card in the mail shortly; or (2) is awaiting a replacement Medicaid card. In first case, the letter requests the provider to accept the client for placement on the basis of the Medicaid information stated in the letter,

pending receipt of the permanent HBID, and that for new Medicaid clients only, the letter serves as temporary verification of Medicaid eligibility. In the second case, the letter requests that the provider use the Medicaid information printed on the letter in order to determine Medicaid eligibility for the client, with the caveat that the letter is not proof of eligibility.

At N.J.A.C. 10:38-5.2(a)5, proposed amendments reflect the above-described change in forms and continue to specify that the housing provider should use the form (FD-412, Health Benefits Card) to obtain covered medical care, including pharmaceuticals for the client, but also add that this use should continue only until the permanent care is received.

At N.J.A.C. 10:38-7.4(a), a proposed amendment states that the Business Manager's Financial Inquiry form shall be mailed to the housing provider or outside payee "prior to the last week of each month," rather than at the end of each month, that the client is eligible for and receives Interim Assistance.

At N.J.A.C. 10:38-7.5(a), a proposed amendment states that when an Interim Assistance client or representative payee has not begun to receive anticipated other income payments, the Business Manager's Financial Inquiry form shall be mailed to the client or housing provider payee "prior to the last week of the month" (rather than the "end of the month") that the client is eligible for and receives Interim Assistance payments.

In addition to the proposed amendments to the above-referenced regulatory provisions, the Department is proposing to amend the Appendices, as follows.

In Appendix B (Authorization for Reimbursement of Initial SSI Payment or Initial SSI Posteligibility Payment (MH-30) Community Placements), a new paragraph confirms the client's understanding that (1) the hospital will pay the housing provider for the entire month in the beginning of each month; (2) if residency is terminated, the client must notify the hospital as soon as possible but no later than the day following termination; (3) the client must notify the hospital of any new living arrangements in order for funds to be distributed to the client or representative payee from the SSI retroactive check received by the hospital after the hospital recovers Interim Assistance paid on the client's behalf. The certification note, which previously followed the signature block, has been moved and has been made a new paragraph, above the signature, that specifies that an Interim Assistance payee is not entitled to receive dual payments and that either the client or other payee (as applicable) must notify the hospital upon learning that a resident received his or her first SSI check. Language in the existing certification, requiring the client to notify the hospital "immediately" upon termination of the residency has been moved from the certification to the new paragraph, and has been amended to "as soon as possible, but no later than the

day following termination,” in consideration of any practical obstacles that may arise and prevent immediate notification.

In Appendix C (Contract for Interim Assistance between the Department and the provider), the following changes are proposed. First, a proposed amendment deletes language stating that payment of IA shall occur after the services have been provided and adds language stating that payment shall be made at the beginning of the month of services. Second, if the provider receives advanced IA payment and the individual leaves the facility prior to the first of the month for which payment was made, the provider must return the advanced IA payment to the hospital. Third, if the client leaves anytime during the month, the hospital may require the provider to refund the advanced IA funds attributable to the unoccupied days. Finally, a new paragraph has been added that specifies that the IA payee is not entitled to receive dual payments for care provided and the home operator, client, or other payee (as applicable) must notify the hospital upon learning that the client received his or her first SSI or other payment, refund the hospital the amount of IA or other payment if such payment duplicates compensation; refund the hospital the amount of SSI funds from the retroactive SSI payment which represents duplicate payment, and notify the hospital immediately should the client terminate the residency at the home.

At Appendix E (Payee Agreement), a proposed amendment specifies that funds be turned over based on the business manager's direction, and to merge

clause two into clause one. The same change was made to Appendix E1, Representative Payee Agreement.

At Appendix G, Business Manager's Financial Inquiry, a proposed amendment adds "rental assistance program (State or Federal) to the list inquiring as to sources of revenue received by the client. An additional paragraph explains that for clients in independent living situations (client's own home or apartment for which client has a lease and are responsible for all expenses), Federal or State rental assistance is excluded as available income that would replace IA funding. An outside payee (a payee other than a housing provider or client) has been added to the distribution list and to the signatories, to be consistent with N.J.A.C. 10:38-7.4(a).

Social Impact

Fundamental clinical and legal principles require that hospitals discharge clients as soon as clinically appropriate. Many clients, however, lack adequate finances to sustain themselves in the community and a substantial waiting period often occurs between application for and receipt of SSI benefits. The Interim Assistance Program currently advances financial assistance to approximately 200 clients every month. Without this assistance, many clients would remain hospitalized longer than necessary or be discharged without income. This would constitute an inappropriate delay and/or jeopardize the client's ability to resume a normal life in the community. The rules proposed for readoption with

amendments, a repeal and a new rule will clarify the program's requirements and will enable a more efficient continuation of the positive social impact of enabling clients to take advantage of clinically appropriate placement opportunities.

When clients are appropriately placed in less costly and less restrictive settings, the Department also benefits by being able to more effectively utilize its limited hospital resources and the public benefits from the more normalized social functioning of the discharged clients.

Finally, the rules proposed for readoption with amendments, a repeal, and a new rule will have a positive social impact by ensuring that the rules are consistent with applicable Federal law and current practice.

Economic Impact

The rule proposed for readoption, a repeal, and a new rule with amendments positively impact clients of the Interim Assistance Program by advancing them money at no cost to them to fund their residential placements in the community. The proposed amendments also positively impact providers of residential services to these clients by extending placement payments at the beginning of the month, making their fiscal planning and operations easier. In addition, since psychiatric hospitals are the most expensive form of psychiatric treatment, continuation of the Interim Assistance Program will reduce overall

costs to the taxpayer by expediting clinically appropriate client discharges from State psychiatric hospitals into less expensive community settings.

Jobs Impact

The rules proposed for readoption with amendments, a repeal, and a new rule are not expected to result in the generation or loss of jobs in the State.

Federal Standards Statement

The rules proposed for readoption with amendments, a repeal, and a new rule do not exceed standards or requirements imposed by the Federal Social Security Act, 42 U.S.C. Section 1915(c) and the implementing regulations at 42 CFR 431, Subpart E. The rules proposed for readoption with amendments, a repeal, and a new rule provide standards for a program in which clients discharged State psychiatric hospitals (and their housing providers) may be advanced Interim Assistance funds to pay for their residential expenses while they are waiting for receipt of SSI funds. The eligibility standards contained in N.J.A.C. 10:38 are consistent with those delineated in the above-cited Federal laws.

Agriculture Industry Impact

The rules proposed for readoption with amendments, a repeal, and a new rule are not expected to have an impact on the agricultural industry.

Regulatory Flexibility Analysis

The rules proposed for readoption with amendments impose certain reporting, recordkeeping, and other compliance requirements on agencies providing residential services to clients needing the Interim Assistance Program. Most of these agencies may be considered small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., because they employ less than 100 full-time employees.

Specifically, N.J.A.C. 10:38-3.8(a) requires that housing providers sign a contract for Interim Assistance, memorializing the terms of placement, compensation, termination, and any refund requirements. At N.J.A.C. 10:38-4.3(e)1, the housing provider is required to submit to the hospital business manager a completed payment voucher and Business Manager's Financial Inquiry form for the following month's advance. If the client has income other than Social Security, the housing provider is required to collect payment directly from the client or payee (N.J.A.C. 10:38-4.2(e)). If the client leaves the residence

prior to the first day of any month for which payment was advanced, the housing provider is required to refund the full amount to the hospital (N.J.A.C. 10:38-4.3(f)). The housing provider may use Form FD-34, Validation of Eligibility, to obtain covered medical care, including pharmaceuticals, for the client (N.J.A.C. 10:38-5.2(a)5). Upon termination of a client's placement, the housing provider must return the currently valid (last issued) form FD-34 to the hospital social service department (N.J.A.C. 10:38-5.3(c)).

No capital costs are associated with these requirements and no additional professional services will be needed for compliance. Compliance requirements are necessary and standards are uniformly applied regardless of the size of the provider agencies in order to assure the safety and well-being of the clients involved and the financial integrity of the Interim Assistance Program.

Smart Growth

The rules proposed for readoption with amendments, a repeal, and a new rule will have no impact on the achievement of smart growth and implementation of the State Development and Redevelopment Plan.

Full text of the proposed readoption may be found in the New Jersey Administrative Code at N.J.A.C. 10:38.

Full text of the proposed amendments follows (additions indicated in boldface *thus*, deletions indicated in brackets [thus]):

Full text of the rule proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 10:38 Appendix L.

SUBCHAPTER 1. GENERAL PROVISIONS

10:38-1.1 Program description

(a) Interim Assistance (IA) is a payment procedure developed by the State of New Jersey and the Social Security Administration. It permits a client who has been released from a State psychiatric hospital and who has applied for Federal Supplemental Security Income (SSI) benefits to receive State funds and community Medicaid coverage while his or her SSI claim is being evaluated.

Through this process, the client shall receive a Personal Needs Allowance and have his or her initial maintenance costs paid by the Division of Mental Health Services upon release from the hospital. The Division, in turn, may directly receive the client's retroactive SSI payment from the Social Security Administration, may recoup Interim Assistance expenditures made and shall deposit this reimbursement in the hospital Interim Assistance revenue account.

(b) (No change.)

10:38-1.4 Definitions

The following words and terms when used in this chapter, have the following meanings unless the context clearly indicates otherwise.

. . .

“DMHS” means the Division of Mental Health Services within the Department of Humans Services.

. . .

“Legal alien” means an immigrant who has attained U.S. citizenship through the naturalization process, making him or her eligible for SSI benefits.

. . .

"Personal Needs Allowance (PNA)" means [funds] that portion of the interim assistance payment that is provided to a client in the community to be used for his or her incidental personal expenses.

. . .

"Residential health care facility" means a facility which furnishes food and shelter to four or more persons 18 years of age and older who are unrelated to the owner and which provides dietary services, recreational activities, supervision of self-administration of medications, supervision of and assistance in activities of daily living and assistance in obtaining health services to any one or more of such persons. Such facilities are licensed by the New Jersey State Department of Health and Senior Services or the New Jersey Department of Community Affairs, in accordance with N.J.A.C. 8:43, 8:42A and 8:42B.

["Residential health care facility" means a facility which furnishes food and shelter to four or more persons 18 years of age and older who are unrelated to the owner and which provides dietary services, recreational activities, supervision of self-administration of medications, supervision of and assistance in activities of daily living and assistance in obtaining health services to any one or more of such persons. Such facilities are licensed by the New Jersey State Department of Health and Senior Services in accordance with N.J.A.C. 8:43, 8:42A and 8:42B.]

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Subchapter 2. Interim Assistance Eligibility

10:38-2.1 Clients eligible for Interim Assistance

(a) To be determined eligible for Interim Assistance (IA), a client shall:

1. – 4. (No change.)

5. [Have] Meet the eligibility requirements and have applied for SSI benefits or be on the SSI suspense rolls.

10:38-2.2 Clients ineligible for Interim Assistance

(a) A client in a State psychiatric hospital is not eligible for Interim Assistance when any of the following conditions exists:

1. – 4. (No change.)

5. The client lacks documentation of immigration status or is not a U.S. citizen or legal alien.

10:38-2.4 Approval authority

Approval authority for the Interim Assistance Program shall rest jointly with the institution's Director of Social Services, the Business Manager, and the Financial

Coordinator of the [institutions] institution's Financial Entitlement Unit or equivalent.

Subchapter 3. Interim Assistance Case Processing

10:38-3.4 Responsibilities of the Discharge and/or Financial Unit

(a) (No change.)

(b) The Discharge or Financial Unit or equivalent shall maintain a record of each referral received and processed. This record shall contain the dates when:

1. – 2. (No change).

3. Authorization for Reimbursement of Assistance from SSI Award, Community Placements, form MH-30, with appropriate hospital GR Code is forwarded to the Social Security Administration District Office. GR codes are as follows:

i. - ii.

[iii. Arthur Brisbane Child Treatment Center-31970;]

iii. Ann Klein Forensic Center - 31980

iv. - v. (No change.)

4. – 9. (No change.)

(c) The Financial Entitlement Unit or equivalent shall, within five working days of receipt of a referral:

1. Submit an initial inquiry to the Social Security Administration to verify social security numbers and to determine if the client is already a recipient of SSI. (If clients are already on the active rolls of SSI and are not subject to the redetermination process they are generally not in need of the Interim Assistance Program);

2. Obtain from the treating psychiatrist or physician form SSA-787, Physician's/ Medical Officer's Statement of Patient's Capability to Manage Funds (Appendix [K] J);

3. (No change.)

4. Obtain from treating psychologist or psychiatrist a Social Security [Disability Report] disability report form [(DD-67)].

(d) The Financial Entitlement Unit or equivalent shall, for a client assessed as eligible for Interim Assistance:

1. Obtain from the client a signed SSI application (including an authorization to release medical records signed by the client) and a Payee Agreement (Appendix E);

2. – 7. (No change.)

(e) - (h) (No change.)

10:38-3.5 The Office of Fiscal and Management Operations of the Division of Mental Health Services

The role of the Office of Fiscal and Management Operations of the Division of Mental Health Services shall be to receive copies of form FS-9, Business Manager's Statement to Interim Assistance Recipient (Appendix H) or form FS-9A, Business Manager's Statement to SSI Applicant (Appendix M) and completed form [SSA-8125] SSA-L8125, State's Accountability Report, from the hospital business managers, assure that SSI benefits were disbursed in accordance with Social Security Administration regulations and add this

information to the record.

10:38-3.6 Responsibilities of the hospital business office

(a) The hospital business office shall be responsible for all fiscal matters relating to the Interim Assistance program other than those described in previous and succeeding sections. Business office staff's specific responsibilities shall be to:

1. – 14. (No change.)

15. File SSI Notice of Interim Assistance Reimbursement and Accountability Report, form [SSA-8125] SSA-L8125 (Appendix [J] I). (This procedure requires, within 30 days of receipt, an individual accounting for each retroactive SSI check received from the Social Security Administration. Completed form [SSA-8125] SSA-L8125 must be forwarded directly to the Social Security Administration Regional Office, to the attention of State Relations Staff with a copy to the Division's Office of Fiscal and Management Operations. If identified as a D.A.A. case, this form must be completed and filed before Social Security will issue the retroactive SSI check);

16. – 17. (No change.)

...

10:38-3.8 Responsibilities of the congregate housing provider

(a) If the client is placed with a housing provider other than his or her own family

or home, the congregate housing provider shall sign a contract for Interim Assistance agreeing to:

1. - 2. (No change.)

3. Accept an agreed-upon per diem as compensation **[after]** by the seventh day of the month in which services are rendered;

4. - 8. (No change.)

Subchapter 4. Interim Assistance Payment Procedures

. . .

10:38-4.2 Exempt resources

(a) Client cash resources, including Federal annuity awards, funds set aside for burial expense or identified special needs, and liened resources up to the amount due for care and maintenance shall be considered exempt (up to the SSI resource cap) in Interim Assistance eligibility determination.

(b) Rental assistance either from a Federal or State-funded program (including DMHS), is excluded as available income prompting a reduction in Interim Assistance payments where such resources do not deem a recipient ineligible for

SSI. This exclusion applies only to clients in independent living situations (for example, client's own home or apartment where clients have a lease and are responsible for expenses such as the rent, utilities, food, furnishings, maintenance, etc.)

10:38-4.3 Business office payment procedures

(a) - (d) (No change.)

(e) The client's Interim Assistance maintenance payment shall be calculated and disbursed as follows:

1. If the client is placed with a housing provider other than his or her own family or home, at the end of each month the business manager shall obtain a completed payment voucher and Business Manager's Financial Inquiry form (Appendix G) from the housing provider for the following month's advance;

2. (No change.)

3. Validated payments to the housing provider from the Interim Assistance account shall be processed by the [10th] seventh calendar day of the [following] current service month, allowing time to verify SSI eligibility status for the current month. Payment will be made at the established monthly SSI rate for

maintenance assuming receipt of a properly completed payment voucher and financial inquiry form. This SSI rate is a per diem rate based on the current SSI payment. However, if the rates for an approved residential drug or alcohol treatment program are higher than the SSI rates, the hospital may need to arrange for funds to supplement Interim Assistance, such as client's own money or Rental Assistance. Also, if a provider's customary rental charges are less than the established SSI rate, the difference shall be allocated to the client for additional living expenses or personal needs;

4. If the client is placed within his or her own family, apartment, or home, payment shall be made[, in advance,] by the first of the month if necessary to make a rent or mortgage payment[.]. In all other cases, payment shall be made by the seventh calendar day of the current service month at the established monthly SSI rate for maintenance for a 30-day month; and

5. If the client has other income, the housing provider shall collect payments directly from the client or payee. If so, this shall be noted on the payment voucher and financial inquiry form. The hospital shall reduce its payment to the provider accordingly.

(f) If the client leaves the residence prior to the first day of any month that the housing provider received a payment, the full amount is to be refunded to the hospital. If the client leaves the residence of a congregate housing provider

anytime during the month, the hospital reserves the right to have the bed held for the remainder of the month or place another client. If neither is agreed upon by both parties, the hospital reserves the right to be refunded by the provider for any paid days that the client was not in the residence.

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Subchapter 5. Medicaid Coverage for Interim Assistance

10:38-5.2 Procedures

(a) To ensure Medicaid coverage for an Interim Assistance client, the following procedures shall be followed:

1. – 2. (No change.)

3. The Division of Medical Assistance and Health Services will establish community Medicaid coverage for the Interim Assistance client and promptly notify the hospital staff or designee of the appropriate Medicaid identification number for the client's use in obtaining covered medical services while receiving Interim Assistance benefits.

4. [Form FD-34, Validation of Eligibility] Form FD-412, Health Benefits

Identification Card – Emergency Services Letter, (Appendix [L] K) shall be completed by the designated hospital representative on the date of placement [and on the first of each month thereafter until the Division of Medical Assistance and Health Services' automated systems produce a monthly Medicaid eligibility card for the client. The representative shall forward the form to the client's residence or appropriate congregate facility] , as needed. The permanent Health Benefits Identification Card will be received by the Interim Assistance recipient within approximately three to five business days of the establishment of community Medicaid ; and

5. The client, family or housing provider may use the Form [FD-34, Validation of Eligibility] FD-412 Health Benefits Identification Card – Emergency Services Letter, to obtain covered medical care, including pharmaceuticals, for the client until receipt of the permanent Health Benefits Identification Card.

...

Subchapter 7

10:38-7.4 Client or non-institutional agent as payee for available client income

(a) The Business Manager's Financial Inquiry form (Appendix G) shall be mailed to the client, the housing provider or outside payee [at the end] prior to the last week of each month that the client is eligible for and receives Interim Assistance payments. Unless the client is residing within his or her own family or home, a

payment voucher for next month's payment shall be attached to the Financial Inquiry form sent to the housing provider.

(b) (No change.)

10:38-7.5 Client or non-institutional agent as payee for anticipated income

(a) When an Interim Assistance client or representative payee has not begun to receive anticipated other income payments, the Business Manager's Financial Inquiry form shall be mailed to the client or to the housing provider payee [at the end] prior to the last week of each month that the client is eligible for and receives Interim Assistance payments. Unless the client is residing within his or her own family or home, a payment voucher for next month's payment shall be attached to the inquiry form sent to the housing provider.

(b) (No change.)

...

APPENDICES

APPENDIX A ("Interim Assistance Statement")

(No change.)

APPENDIX B

NEW JERSEY DEPARTMENT OF HUMAN SERVICES
DIVISION OF MENTAL HEALTH SERVICES

AUTHORIZATION FOR REIMBURSEMENT OF INITIAL SUPPLEMENTAL
SECURITY INCOME (SSI) PAYMENT OR INITIAL SSI POSTELIGIBILITY
PAYMENT (MH-30) COMMUNITY PLACEMENTS

GR Code _____

_____ (Applicant's Name)

_____ (Social Security No.)

_____ (Hospital) (Mailing Address)

I understand and authorize that:

For Interim Assistance to be granted to me, and upon the approval for SSI Benefits, the Social Security Administration will forward to the above hospital my (check one):

_____ Initial SSI payment

_____ Initial SSI post-eligibility payment

I further authorize said Business Manager to deduct from my (check one):

_____ Initial SSI payment as reimbursement an amount equal to the total amount of Interim Assistance which I received from this hospital (not including assistance payments financed wholly or partially with federal funds) from the date I became eligible for benefits through the month in which my SSI benefits begin.

_____ Initial post-eligibility payment as reimbursement an amount equal to the total amount of Interim Assistance I received from this hospital (not including assistance payments financed wholly or partially with federal funds) from the date my SSI benefits are subsequently reinstated after a period of suspense or termination and ending with and including the month my SSI benefits resume.

However, if the hospital has prepared and cannot stop delivery of its last assistance payment when it receives my retroactive SSI benefit payment from the Social Security Administration, that payment is included as Interim Assistance to be reimbursed.

I understand that: the hospital will pay the housing provider for the entire month in the beginning of each month; if residency is terminated, I must be notify the hospital of the plan to terminate as soon as possible, but no later than the day following termination; and I must notify the hospital of my new living arrangements in order for funds to be distributed to me or my representative payee from the SSI retroactive check received by the hospital after the hospital recovers Interim Assistance paid on my behalf.

I understand that the payment to me or my representative payee and a written explanation showing how the balance was calculated will be made within five working days after the Business Manager receives the SSI check.

[An]I understand that an Interim Assistance Payee is not entitled to receive dual payments for care provided. [A sponsor] I also understand that I, as the client, or another payee (as applicable) must therefore: (1) notify the hospital upon learning that a resident received his or her first SSI or other payment and also provide the effective date of such payment; (2) refund the hospital of Interim Assistance payments received after the first SSI or other payment is received if such payment represents duplicate compensation; and (3) refund the hospital the amount of Interim Assistance from the retroactive SSI payment, which represents a duplicate payment to me for the time period from SSI application to receipt of funds[; and (4) notify the hospital immediately should the client terminate residence at the home].

I further understand that if I disagree with the amount of the deduction made by the Business Manager, I have the right to an administrative review by the NJ Division of Mental Health Services. I must make the request for a review through the Department of Human Services, Division of Mental Health Services, P.O. Box 727, Trenton, NJ 08625.

I understand that this signed authorization is effective for (1) one year from the date it is received by the above Agency and it will cease to have effect at the end of one year unless:

- ~ I filed for SSI on or before that time, or my case is completely decided, or the above Agency and I mutually agree to terminate this authorization, or
- ~ I appeal my suspension or termination on or before that time, or my SSI case is completed/decided, or the above Agency and I mutually agree to terminate this authorization.

In addition, I understand that signing this authorization form means I want to file for SSI benefits. I also understand that I must file an SSI application with a Social Security office for the Social Security Administration to decide if I am eligible for SSI benefits. I understand that if I am found eligible for SSI benefits that my eligibility for SSI can begin as early as the date the Hospital receives this signed authorization, but only if I file the SSI application within 60 days from the date the above agency receives this signed authorization.

Date: _____ Signed: _____

Address: _____

[NEW JERSEY DEPARTMENT OF HUMAN SERVICES, DIVISION OF MENTAL HEALTH SERVICES CERTIFICATION: An Interim Assistance Payee is not entitled to receive dual payments for care provided. A sponsor must therefore: (1) notify the hospital upon learning that a resident received his or her first SSI or other payment and also provide the effective date of such payment; (2) refund the hospital of Interim Assistance payments received after the first SSI or other payment is received if such payment represents duplicate compensation; (3) refund the hospital the amount of Interim Assistance from the retroactive SSI payment, which represents a duplicate payment to me for the time period from SSI application to receipt of funds; and (4) notify the hospital immediately should the client terminate residence at the home.]

APPENDIX C

NEW JERSEY DEPARTMENT OF HUMAN SERVICES DIVISION OF MENTAL HEALTH SERVICES

CONTRACT FOR INTERIM ASSISTANCE

THIS AGREEMENT is made on this _____ day of _____
in the year _____.

WITNESSETH, that I, _____ the
undersigned, for and in consideration of payments to be made to me as
provided herein, do hereby covenant and agree as follows:

1. I AGREE to accept into my home _____
from the _____ (Hospital
Name) and agree to furnish said individual with food, lodging, and other
usual and necessary incidentals for the proper maintenance of the said
individual and his or her well being.
2. I AGREE to accept the sum of \$ _____ per day
(\$ _____ per month) from the
_____ (Hospital) at
_____ (Location) as compensation for
maintenance that I shall furnish the said individual. I further understand
that the above agreed upon daily compensation rate is established at
rates determined by the Social Security Administration in conjunction with
the Commissioner of the Department of Human Services and is payable
[after the services have been provided] the beginning of the month of
services. Individuals with other income shall make payments directly to
the housing provider. If advance payment is received and the individual
has also paid or the individual leaves the facility prior to the first of the
month for which payment was made, that IA payment must be returned to
the hospital. If the individual leaves a congregate living situation any time
during the month, the congregate home operator agrees, at the discretion
of the hospital, to: (1) hold the bed open for the individual's return; (2)
accept another individual referred from the hospital in their place; or,
where one or two cannot be agreed upon, (3) refund hospital-advanced
funds for the unoccupied days, if requested by the hospital.
3. I AGREE to immediately contact the _____ (Designated Emergency
Screening Service) by telephone in the event of need for emergency
psychiatric care, and _____ (hospital) by telephone
in the event of need for emergency medical care, notifying them of the full
details of the said individual's condition and to abide by such directions as
shall be given. In the event of serious emergency psychiatric care, I will
contact the _____ (Designated
Emergency Screening Service) immediately by telephone after care has
been given notifying them of the full details. In the event of serious
emergency medical care, I will contact the
_____ (Hospital) immediately by telephone after care has
been given notifying them of the full details.
4. I AGREE to give the _____ (Hospital) at
_____ (Location) thirty (30) calendar days
notice in writing of my intention to terminate this contract; otherwise it shall
continue in full force and effect as long as the said individual is under my
care, or is subject to termination notice if standards are not maintained.

5. An Interim Assistance Payee is not entitled to receive dual payments for care provided. A home operator, family member, or other payee (as applicable) must therefore: (1) notify the hospital upon learning that a resident received his or her first SSI or other payment and also provide the effective date of such payment; (2) refund the hospital the amount of Interim Assistance payments received after the first SSI or other payment is received if such payment represents duplicate compensation; (3) refund the hospital the amount of Interim Assistance funds from the retroactive SSI payment, which represents a duplicate payment for the time period from SSI application to receipt of funds; and (4) notify the hospital immediately should the client terminate residency at the home.

IN WITNESS WHEREOF, I hereunto set my hand the year and day first written above.

Signed and delivered
in the presence of

Witness

Signature of Home Operator and/or
Responsible Family Member

APPENDIX D

STATEMENT OF BUSINESS MANAGER STATE PSYCHIATRIC HOSPITAL

(No change.)

APPENDIX E

PAYEE AGREEMENT

I understand that I, as an Interim Assistance recipient, will have my community maintenance paid in full or in part by the Division of Mental Health Services until a determination of my SSI claim is made. The Division will also supplement my personal needs expenses, when necessary.

I also understand that income available to me or my representative payee while I am an Interim Assistance recipient, up to the normal monthly room and board rate, must be turned over to _____ (Housing Provider) toward payment of room and board expenditures.

I therefore agree:

1. To notify the Business Manager, _____ Psychiatric Hospital, when income or resources from any source becomes available to me or my representative payee; and based on the Business Manager's direction, I agree [2. To] turn over all income or resources received by me (but not exceeding my monthly room and board rates) to the _____, until _____ (Housing Provider) recurring SSI is available.
2. That, if there are insufficient recoverable funds available from the initial SSI retroactive check for full reimbursement of Interim Assistance funds granted, the balance owing may be recovered by the hospital business office from other sources of funds available to me.
3. If the SSI retroactive check is inadvertently sent to the payee rather than to the hospital, the payee must immediately notify the Business Manager in order to facilitate prompt reimbursement of the appropriate Interim Assistance funds to the hospital.

In the event that a representative payee selected by me fails to abide by the terms of this agreement, I will take the necessary steps to have a new representative payee appointed.

Witness: _____ Signature: _____

Address: _____

Date: _____

Distribution:

Business Manager (original)
Client
Representative Payee
Financial Coordinator

APPENDIX E1

REPRESENTATIVE PAYEE AGREEMENT

As payee or potential representative payee for an Interim Assistance recipient, I understand that the recipient will have his or her community maintenance paid in full or part by the Division of Mental Health Services until a determination of the SSI claim is made. The Division will also supplement the personal needs expenses, when necessary.

I understand that while the client is an Interim Assistance recipient, if I receive any client income up to the normal monthly room and board rate, I must forward it to _____ (Housing Provider).
I therefore agree:

1. To notify the Business Manager, _____ Psychiatric Hospital, when income or resources from any source becomes available to me as representative payee; and based on the Business Manager's direction, I agree
2. To turn over all income or resources received by me (but not exceeding the client's monthly room and board rate) to the housing provider until recurring SSI is available; and,
3. That if there are insufficient funds available from the initial SSI retroactive check for full reimbursement of Interim Assistance funds granted, the balance owing may be recovered by the hospital business office from other sources of funds available to the client.
4. If the SSI retroactive check is inadvertently sent to the payee rather than to the hospital, the payee must immediately notify the Business Manager in order to facilitate prompt reimbursement of the appropriate Interim Assistance funds to the hospital.

In the event that a representative payee selected by the client fails to abide by the terms of this agreement, the client or Division will take the necessary steps to have a new representative payee appointed.

I, _____, agree to the terms stated above.

Witness: _____ Signature: _____

Address:

Date: _____

Distribution:

Business Manager (original)

Client

Representative Payee

Financial Coordinator

Revised 11/05

APPENDIX F

(No change.)

APPENDIX G

BUSINESS MANAGER'S FINANCIAL INQUIRY

Re:

(Client)

Dear _____:

(Housing Provider)

Please respond to the following questions and return to me within 5 days of receipt. Payment of room and board may be contingent upon completion of this form.

To the best of your knowledge, has the above named client received:

	<u>YES</u>	<u>NO</u>
Supplemental Security Income Payment?	<input type="checkbox"/>	<input type="checkbox"/>
A Social Security benefit?	<input type="checkbox"/>	<input type="checkbox"/>
Any other type of payment (specify)? _____	<input type="checkbox"/>	<input type="checkbox"/>
A Community Medicaid card?	<input type="checkbox"/>	<input type="checkbox"/>
<u>*Rental Assistance Program (State or Federal)?</u>	<input type="checkbox"/>	<input type="checkbox"/>

If your answer is "yes" to any of these questions, please provide the following information:

Date Payment/Medicaid card was received:

Type of Payment:

Amount of Check(s):

Check(s) Issued to (name):

*(Rental Assistance either from a federal or state funded program (including DMHS), is excluded as available income that would ordinarily replace IA funding. This exclusion is for clients in independent living situations (i.e. clients own home or apartment where clients have a lease and are responsible for expenses such as the rent, utilities, food, furnishings, maintenance, etc.) and where SSI eligibility would normally continue.)

(Business Manager)

(Housing Provider)

(Outside Payee)

(Client)

Sample Form

Distribution:

Housing Provider – Original

Outside Payee (if payee is other than housing provider or client)

Client

Business Manager

APPENDIX H

BUSINESS MANAGER STATEMENT TO INTERIM ASSISTANCE RECIPIENT

(No change.)

APPENDIX [J] I

SOCIAL SECURITY ADMINISTRATION

Supplemental Security Income

Notice of Interim Assistance Reimbursement

Date: _____

Social Security Number: _____ - _____ - _____

GR Code: _____

ACTION REQUIRED BY THE STATE

Complete the State's Accountability Report using the information in the "Payment Summary." Return all but this page of the notice to the Social Security Administration within 30 days of receipt of the Interim Assistance Reimbursement check.

THINGS TO REMEMBER WHEN DETERMINING YOUR AMOUNT OF REIMBURSEMENT

- Federally Reimbursable Interim Assistance is assistance from State or local funds to an individual for meeting basic needs either during the period beginning with the first day for which such individual was eligible for SSI benefits; or beginning with the first day for which the individual's benefits were suspended or terminated, if the individual was subsequently found to have been eligible for such benefits, and ending with (and including) the month payment is made.
- You may recoup Interim Assistance you paid for any month in a period as defined above. You may not recoup for any months prior to the month for which you began paying Interim Assistance in this period. If a month is not listed in the "Payment Summary" you cannot recoup the assistance you paid for that month.
- In cases where SSI payments were pro-rated, you must pro-rate the amount you recover for that month. You cannot recover the difference you paid for a pro-rated months from any other month. You can determine that a month's payment was pro-rated if the day is other than the first of the month.
- Assistance payments financed in whole or part from Federal funds (e.g., AFDC) do not come with the meaning of Interim Assistance.
- Excess IAR payments are to be made to the individual within 10 working days of receipt of the reimbursement date.

SSA-L8125

CLAIMANT INFORMATION

Initial Claim

Date of SSI Eligibility: _____

Amount of SSI Retroactive Payment: _____

Amount and Month of Recurring SSI Payment: _____

STATE'S ACCOUNTABILITY REPORT

	Amount	Date Received	Date Sent
1. Amount of reimbursement check the State received from SSA.			
2. Amount of interim assistance paid to the individual.			
3. Amount of the reimbursement check retained by the State.			
4. Amount of the reimbursement check forwarded to the individual.			
5. Amount of reimbursement check returned to SSA.			

DATE NOTICE RECEIVED	FIRST MONTH FOR WHICH YOU PAID IA THIS PERIOD	NOTE: Total of items 3, 4 and 5 should equal the amount shown in Item 1
----------------------	---	---

CERTIFICATION STATEMENT

I certify that the above is a true statement of receipts and disbursements under our agreement with the Secretary of Health and Human Services for the purpose of furnishing Interim Assistance to individuals as established by P.L. 93-368, as amended.

Signature	Title & Agency	Date
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SSA-L8125

PAYMENT SUMMARY

	AMOUNT	
FROM	THROUGH	PAID EACH MONTH

SSA-L8125

APPENDIX [K] J

(No change in text.)

APPENDIX [L] K

[STATE OF NEW JERSEY DEPARTMENT OF HUMAN SERVICES DIVISION OF
MEDICAL ASSISTANCE AND HEALTH SERVICES VALIDATION OF
ELIGIBILITY

_____ Last Name	_____ First Name	_____ MI	_____ Health Services Program Case No.	_____ Person Number
--------------------	---------------------	-------------	--	------------------------

NOTICE TO PROVIDERS

This form identifies the program listed above as eligible for authorized services under the New Jersey Health Services Program (Medicaid).

This form also serves as a Validation of Eligibility for the month of issue. All policies and procedures specified in the appropriate New Jersey Health Services Program Provider Manual are to be followed by providers when rendering services to this person. The signature, title and telephone number of an authorized representative of the State Institution listed below must be included to validate this form.

THIS FORM IS THE PROPERTY OF THE STATE OF NEW JERSEY AND
MUST BE RETURNED WITH THE PATIENT.

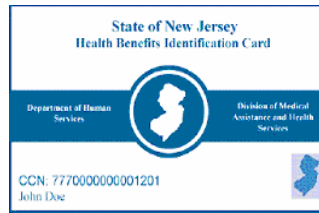
Signature and Title of State
Institution Representative

Date of Issue

Name of State Institution

Telephone No,

HEALTH BENEFITS IDENTIFICATION CARD
Emergency Services Letter



Dear Provider: (Please see checked block below)

U **NEW APPLICANT:** The NJ FamilyCare/Medicaid client listed below has been newly approved as eligible, and will receive a permanent plastic Health Benefits Identification (HBID) card in the mail shortly. In the meantime, please accept this letter in place of the client's new permanent HBID card. **For new applicants only this letter serves as temporary verification of Medicaid eligibility for the period listed below.**

U **CLIENT AWAITING REPLACEMENT CARD:** The NJ FamilyCare/Medicaid client listed below is awaiting a replacement card. In the interim, please use the Medicaid information for the client, printed below, in order to determine eligibility for this client using any one of the available eligibility verification systems you normally use. **This letter is not proof of eligibility for this client.**

CLIENT	
Medicaid ID	
Client Name	
Date of Birth	
HMO Plan & Service Package	
TPL & Medicare Coverage	
Pharmacy Restrictions	
Client Address	
AUTHORIZING OFFICE	
Office Name	
Name of Staff Contact	
Phone Number	

EMERGENCY SERVICES LETTER VALID FROM _____ UNTIL _____

FD-412 (05/23/06)

APPENDIX M

BUSINESS MANAGER'S STATEMENT TO SSI APPLICANT

(Client's Name)

(Date)

(Hospital)

(Client's Address)

The Social Security Administration has informed us that:

_____ Your SSI application was denied.

_____ They issued a retroactive SSI check to you or your payee.

The following is a computation of the amount due for your Interim Assistance placement:

- | | |
|---|----------|
| 1. Amount of Interim Assistance provided | \$ _____ |
| 2. Amount of SSI check | \$ _____ |
| 3. Patient Trust Fund balance | \$ _____ |
| 4. Total available resources (2 + 3) | \$ _____ |
| 5. Amount of assistance hospital can recover | \$ _____ |
| 6. Amount of assistance given to you by county/local welfare agencies | \$ _____ |
| 7. Amount of assistance recovered from PTF balance | \$ _____ |
| 8. Net amount due you (4-5-6-7) (check enclosed) | \$ _____ |
| 9. Net amount due State Treasurer (1-5-7) (bill enclosed) | \$ _____ |

If you disagree with this computation, you have the right to come to this office to discuss the matter. If after such discussion you are not satisfied, you may contact the State Division of Mental Health Services to request an administrative review. You should make the request through the Department of Human Services, Division of Mental Health Services, P.O. Box 727, Trenton, New Jersey 08625-0727.

(Hospital)

(Name, Title)

Distribution:

Client-Original Social Services Director
Business Manager Placement/Financial Coordinator
Division Fiscal Officer
Form FS-9A (9/00)

Date

Kevin M. Ryan, Commissioner